

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  OFFICE OF CONSUMER ADVOCATE,  Complainant,  vs.  UKI COMMUNICATIONS, INC.,  Respondent.	DOCKET NO. FCU-03-41
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**ORDER DOCKETING FOR FORMAL PROCEEDING  
AND REQUESTING RESPONSE**

(Issued January 20, 2004)

On June 23, 2003, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed with the Utilities Board (Board) a petition for a proceeding to impose civil penalties pursuant to Iowa Code § 476.103 (2003), asking that the Board review the proposed resolution issued in C-03-091, involving UKI Communications, Inc. (UKI), and consider the possibility of assessing a civil penalty pursuant to Iowa Code § 476.103(4)"a." Based upon the record assembled in the informal complaint proceedings (which are a part of the record in this proceeding pursuant to 199 IAC 6.7), it appears the events to date can be summarized as follows:

On April 30, 2003, Ms. Carol Wessels filed a written complaint with the Board alleging that her long distance telephone service was changed to UKI without her authorization. Board staff identified the matter as C-03-91 and, pursuant to Board rules, on May 2, 2003, forwarded the complaint to UKI for response within ten days. UKI did not respond within the ten-day time limit.

On June 10, 2003, Board staff issued a proposed resolution describing these events and finding by default that UKI had violated the Board's slamming rules. The proposed resolution directed UKI to fully credit all charges on Ms. Wessel's account and close Ms. Wessel's account. No party other than the Consumer Advocate has challenged the staff's proposed resolution.

On June 18, 2003, Board staff received a letter from UKI responding to Ms. Wessel's complaint. UKI stated that a UKI sales agent received the customer's verbal consent to change long distance companies and attached a copy of the third-party verification recording.

In its June 23, 2003, petition, Consumer Advocate asserts that a civil penalty should be imposed against UKI to deter future cramming violations. In addition, Consumer Advocate asserts that other slamming complaints received by Board staff have named UKI as the alleged violating company. UKI has not responded to Consumer Advocate's petition.

The Board has reviewed the record to date as well as the additional slamming complaints made against UKI and finds that there is sufficient information to warrant

further investigation in this matter. The Board recognizes that there has not been any action in this matter for some time. Therefore, the Board will delay establishing a procedural schedule until February 23, 2004, and allow UKI an opportunity to respond to the allegations raised in Consumer Advocate's petition.

**IT IS THEREFORE ORDERED:**

1. The "Petition for Proceeding to Impose Civil Penalty" filed by the Consumer Advocate Division of the Department of Justice on June 23, 2003, identified as Docket No. FCU-03-41, is granted and docketed for formal proceeding.

2. UKI Communications, Inc., is requested to file a response to the petition filed by Consumer Advocate on June 23, 2003, on or before February 23, 2004.

**UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 20<sup>th</sup> day of January, 2004.